

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: _____

Meeting Type: Regular

Meeting Date: Apr 28, 2016

Action Requested By: Legal

Agenda Type: Resolution

Subject Matter:

Invoke Letter of Credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk-Treasurer to invoke American Bank of Huntsville Letter of Credit No. 2013-045 for The Cottages at Indian Lake Subdivision.

Note: If amendment, Please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost: _____

Budgeted Item: Not Applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head:  _____

Date: Apr 20, 2016

RESOLUTION NO. 16-_____

WHEREAS, American Bank of Huntsville issued a certain letter of credit (No.2013-045), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to American Bank of Huntsville Letter of Credit No. 2013-045, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 28th day of April, 2016.

President of the City Council
of the City of Huntsville,
Alabama

APPROVED this the 28th day of April, 2016.

Mayor of the City of
Huntsville, Alabama



AMERICAN BANK *of* HUNTSVILLE

AMENDMENT TO LETTER OF CREDIT

April 23, 2015

Amount: \$8,142.80

Issued: May 9, 2013

Expiration: May 9, 2014

This Letter of Amendment is in regard to Irrevocable Letter of Credit number 2013-045 Article 5 of the Subdivision Regulations/Sidewalks in regard to The Cottages at Indian Lake Subdivision.

This Letter is to amend the letter of credit from an expiration date of May 9, 2015 to a new maturity date of May 9, 2016.

Michelle M. Goddard
Vice President

OK
CEH
5/6/15

MW 5-6-15

DB 5-6-15

OK KCA 5/6/15

3301 Memorial Parkway South West • Huntsville, Alabama 35801-5314

Phone (256) 536-5626 • Fax (256) 327-0896

www.abhsv.com



IRREVOCABLE STANDBY LETTER OF CREDIT NO. 2013 - 045

BENEFICIARY:
City of Huntsville
P.O. Box 308
Huntsville, AL 35804

ACCOUNT PARTY:
Valley Vista Properties, LLC
14056 Monte Vedra
Huntsville, AL 35803

BANK:
Worthington Federal Bank
3301 Memorial Parkway SW
Huntsville, AL 35801

RE: Article 5 Sidewalk, Letter of Credit for - THE COTTAGES AT INDIAN LAKE A
RESUBDIVISION OF PART OF TRACT 11 OF GREEN MOUNTAIN AUCTION
PROPERTY

AMOUNT: \$12,048.80 ISSUE DATE: MAY 9, 2013 EXP. DATE: MAY 9, 2014

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor effective MAY 8, 2013 for a sum not to exceed the aggregate of \$12,048.80. Available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to Worthington Federal Bank in Huntsville, AL 35801.

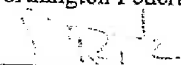
Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

THE ORIGINAL OF THIS LETTER OF CREDIT MUST BE PRESENTED WITH ANY DRAWING.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and deliver of the documents as specified.

This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to the Alabama Uniform Commercial Code, as the same may be from time to time amended.

Worthington Federal Bank


J. Robert Thompson, IV
Assistant Vice President

OK
CFA
5/22/13

NW 5-13-13

DB 5-10-13

OK CFA
5/21/13

256.536.5626 • 3301 Memorial Parkway SW • Huntsville, Alabama 35801

worthingtonfederalbank.com